

**IN THE UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MISSOURI
(Springfield)**

In re:)	
)	
417 Rentals, LLC)	Case No. 17-60935-can11
)	
Debtor)	Chapter 11
)	
<hr/>)	
City of Springfield, Missouri)	
)	
Movant)	

MOTION TO DISMISS

Springfield moves the court to dismiss this case for the cause of bad faith. *11 U.S.C.A. § 1112(b)*. A court may “dismiss a case due to the Debtor's bad faith. *11 U.S.C. § 1112(b)*; *In re C–TC 9th Avenue P'ship*, 113 F.3d 1304, 1310 (2d Cir.1997).” *In re Project Orange Assocs., LLC*, 432 B.R. 89, 112 (Bankr. S.D.N.Y. 2010).

Misrepresentations and Estate Neglect

417 claims it has: 1) “managed all of the properties”; 2) “kept all units maintained and winterized”; 3) continued “to make necessary repairs”; and, 4) “responded to complaints regarding ordinance violations.” (**Doc # 266**, paragraph 3.) 417 states it “will *continue to* maintain its properties, do construction and repairs. . . .” **Doc # 458**. [Emphasis added.]

417 has not complied with its obligations, promises, and commitments in the above statements and others made to the court. Here, Springfield incorporates **Doc # 195, Doc # 372, Doc # 376, Doc # 492, Doc # 509** and all their exhibits.

It is bad faith to misrepresent actions taken to the court and creditors. It is bad faith to neglect estate assets. It is bad faith to operate inconsistent with public policy as expressed in dangerous-building, nuisance-abatement, overgrowth, and property-maintenance codes.

Conversion

Conversion in this case is inappropriate. A Chapter 7 trustee would need to hire a property-management company. That expense would burden the estate and not be “in the best interests of creditors and the estate. . . .” *11 U.S.C.A. § 1112(b)(1)*.

CITY OF SPRINGFIELD, MISSOURI

/s/ Duke McDonald

Duke McDonald

Missouri Bar #36265

Assistant City Attorney

840 Boonville

Springfield, Missouri 65802

(417) 864-1645

(417) 864-1551 fax

dmcDonald@springfieldmo.gov

ATTORNEY FOR SPRINGFIELD

Service Certificate

I certify that on June 29, 2018, the foregoing “Motion to Dismiss” was filed with the Court under its ECF System and was served on said date by electronic mail directed to all parties entitled to electronic notice.

/s/ Duke McDonald

Duke McDonald